



Senate

General Assembly

File No. 692

January Session, 2001

Substitute Senate Bill No. 1347

Senate, May 9, 2001

The Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING A STATE FUNDED WORK-STUDY PROGRAM FOR TANF RECIPIENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (a) For purposes of this section and section 17b-
2 749 of the general statutes, as amended by this act:

3 (1) "Needy person" means any parent or caretaker relative of a
4 minor child who is a member of a needy family, as defined by the state
5 plan for the temporary assistance for needy families program.

6 (2) "Eligible participant" means a person who is currently receiving
7 benefits from the temporary family assistance program or any other
8 needy person, whether or not such person is currently enrolled in an
9 eligible training program.

10 (3) "Eligible training program" means any training program
11 administered or operated by an eligible provider, as defined in section
12 31-111 of the general statutes, or any training or education program

13 offered by an accredited public or independent institution of higher
14 education in this state.

15 (b) The Labor Department shall:

16 (1) Establish a state funded work-study program for needy persons
17 in eligible training programs;

18 (2) Provide transportation assistance to needy persons participating
19 in the state funded work-study program established pursuant to
20 subdivision (1) of this subsection; and

21 (3) Provide case management and such other support services as the
22 Labor Commissioner deems necessary to needy persons participating
23 in the state funded work-study program established pursuant to
24 subdivision (1) of this subsection.

25 (c) In administering the state funded work-study program
26 established pursuant to subdivision (1) of subsection (b) of this section,
27 the Labor Department shall (1) give priority for participation to eligible
28 participants whose family incomes are at or below the federal poverty
29 level, (2) reserve fifteen per cent of all available work-study positions
30 for eligible participants seeking to enroll in training and education
31 programs for nontraditional occupations, as identified by the United
32 States Department of Labor, (3) require eligible participants to enroll in
33 work, training and education programs that prepare job seekers for
34 occupations in demand in this state, as identified by the Labor
35 Department, (4) require that the rate of compensation paid to eligible
36 participants participating in the work-study program be not less than
37 the minimum fair wage set forth in section 31-58 of the general statutes
38 and not more than nine dollars per hour, (5) make work-study
39 positions subject to the worker displacement provisions of Section 407
40 of Title IV of the Social Security Act, and (6) structure the work-study
41 program to enable an eligible participant's family to be independent of
42 temporary family assistance by the end of the twenty-one-month time

43 limit for such assistance and increase the participant's ability to achieve
44 economic self-sufficiency.

45 (d) To be eligible to participate in the state funded work-study
46 program established pursuant to subdivision (1) of subsection (b) of
47 this section, an eligible participant shall (1) enroll in and attend an
48 eligible training program on at least a half-time basis, as defined by the
49 eligible provider, or (2) if the eligible training program is administered
50 by a public or independent institution of higher education, take
51 sufficient courses to qualify for a Federal Pell Grant.

52 (e) Eligible participants may participate in the state funded work-
53 study program for at least thirty-two weeks and may participate for
54 longer periods of time with prior approval from the Labor Department
55 and the administrator of the eligible training program or public or
56 independent institution of higher education.

57 (f) The Labor Commissioner shall adopt regulations as are necessary
58 to carry out the provisions of this section.

59 Sec. 2. Subsection (a) of section 17b-749 of the general statutes is
60 repealed and the following is substituted in lieu thereof:

61 (a) The Commissioner of Social Services shall establish and operate
62 a child care subsidy program to increase the availability, affordability
63 and quality of child care services for families with a parent or caretaker
64 who is working, attending high school, participating in a work-study
65 program pursuant to section 1 of this act, or who receives cash
66 assistance under the temporary family assistance program from the
67 Department of Social Services and is participating in an approved
68 education, training, or other job preparation activity. Services available
69 under the child care program shall include the provision of child care
70 subsidies for children under the age of thirteen or children under the
71 age of nineteen with special needs.

72 Sec. 3. This act shall take effect July 1, 2001.

WFD	<i>Joint Favorable Subst. C/R</i>	LAB
LAB	<i>Joint Favorable C/R</i>	HS
HS	<i>Joint Favorable Subst. C/R</i>	APP
APP	<i>Joint Favorable Subst.</i>	

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Cost, Implements the Budget

Affected Agencies: Department of Labor, Department of Social Services

Municipal Impact: None

Explanation**State Impact:**

The bill requires the Department of Labor to establish a state funded work-study program for needy persons in eligible training programs. Transportation assistance and case management services shall be provided as the Labor commissioner deems necessary to needy persons participating in the program. The department shall give priority for participation to eligible participants whose family incomes are at or below the federal poverty level. Fifteen per cent of funds shall be reserved for participants seeking to enroll in training and education for nontraditional occupations. There is \$1,000,000 in both FY 02 and FY 03 in sHB 6668 (the FY 02-03 Appropriations Act, as favorably reported by the Appropriations Committee) for the work-study program.

The bill requires the Department of Social Services (DSS) to provide

child care services to individuals participating in the state funded work study program established by the bill. The costs incurred by DSS depend on the number of program participants and the percentage of those who need child care. It is assumed that there will be 225 participants and that approximately half will require child care for four months, thus an estimated cost of \$540,000 will result, however costs could be significantly higher if more people participate and more participants require child care services. DSS will require an additional \$60,000 for a child care representative to provide child care case management services. No funds for this purpose have been included in the Department of Social Services budget as favorably reported by the Appropriations Committee on April 17, 2000.

OLR Bill Analysis

sSB 1347

AN ACT CONCERNING A STATE FUNDED WORK-STUDY PROGRAM FOR TANF RECIPIENTS.**SUMMARY:**

This bill requires the Department of Labor (DOL) to establish a work-study program for needy people in certain training programs. DOL must provide them with transportation assistance, case management, and other necessary support services.

It allows individuals to participate in the program for 32 weeks or longer, if DOL and the program provider approve.

It also allows people in the work-study program to participate in the state's subsidized child care program.

EFFECTIVE DATE: July 1, 2001

NEEDY PERSON

A "needy person" is a parent or caretaker relative of a minor child in a family with a gross income less than 75% of Connecticut's median income level. Currently, for a family of four, 75% of Connecticut's median family income is \$56,651.

ELIGIBILITY

The bill defines an "eligible participant" as a person who is needy or is receiving benefits from the Temporary Family Assistance (TFA) program, whether or not he is currently enrolled in an eligible training program.

To be eligible to participate in the work-study program, eligible participants must (1) enroll in and attend an eligible training program on at least a half-time basis, or (2) if the program is run by a

Connecticut college or university, take enough courses to qualify for a federal Pell Grant.

An eligible training program is any training program administered or operated by an entity that meets the provider requirements of the Federal Workforce Investment Act of 1998 or any training or education program run by a Connecticut college or university.

WORK-STUDY PROGRAM

The bill requires DOL, in administering the work-study program, to:

1. give priority to eligible participants whose family income is at or below the federal poverty level (currently, \$14,630 for a family of three);
2. reserve 15% of all available slots for participants who want to enter nontraditional occupations;
3. require eligible participants to enroll in programs that prepare them for occupations that DOL identifies as in demand in Connecticut;
4. require that participants get paid at least the state minimum wage (currently, \$6.40 an hour) but not more than \$9 an hour;
5. prevent participants from filling positions where another person is on layoff from the same or similar position or where the position is vacant because the regular employee was separated to create a vacancy for a work-study participant; and
6. structure the program to make families independent of TFA by the time such assistance expires (21-month maximum) and to increase participants' economic self-sufficiency.

The labor commissioner must issue regulations necessary to carry out these requirements.

BACKGROUND

Temporary Assistance for Needy Families (TANF) Block Grants

States must meet a federal work participation rate requirement as a condition of federal funding under the TANF program. This means that a certain overall minimum percentage of program participants must engage in activities that meet broad federal work and related education requirements. The current requirement is 45% for all families, minus a fluctuation case reduction credit based on a state's level of success in reducing its welfare caseload (45 CFR 261.21)

Federal TANF law lists 12 categories of work and work-related activities that count for purposes of calculating the work participation rate. Three educational activities are on the list: vocational education training; education directly related to employment in the case of someone who has not received a high school diploma or a certificate of high school equivalency; and attendance at a secondary school or in a certificate of general equivalency program for people who have not completed high school (42 USC 607(d), 45 CFR 261.30).

TFA is Connecticut's cash assistance program for poor families. TANF funds are used to pay some of the program's costs. TFA benefits are paid for a maximum of 21 months but can be extended in limited circumstances.

Most TFA recipients are expected to participate in a work-related activity as a condition of receiving their cash benefits. In the Employment Services component of Jobs First, both DSS and the DOL assess the abilities and needs of TFA recipients and help them find and keep unsubsidized jobs. Limited transportation and child care assistance is available for those recipients who are working.

Federal Pell Grant

The Federal Pell Grant is a need-based grant for undergraduate students. The maximum award for the 2000-2001 award year is \$3,300. Pell Grants are awarded to full-time students (12 credits or more per semester), three-quarter time students (9, 10 or 11 credit hours per semester), half-time students (6, 7, or 8 credit hours per semester), as well as less than half-time grants to students carrying less than 6 credit hours per semester.

The Workforce Investment Act of 1998

The Workforce Investment Act of 1998 (Pub. L. No. 105-220) mandates that states develop and maintain a list of all eligible training providers. Connecticut's Regional Workforce Development Boards approve the providers and DOL administers the list.

Child Care Subsidy Program

The child care subsidy program (also called the Child Care Assistance Program) provides a subsidy to families who (1) currently receive TFA, (2) used to receive TFA but now earn too much, or (3) earn no more than 75% of the state median income. Children can receive care in centers, group day care homes, or family day care homes, or can be cared for by family members in other types of situations. Priority for non-TFA subsidies is given to families with incomes below 25% of the state median income and those with children with special needs.

COMMITTEE ACTION

Select Committee on Workforce Development

Joint Favorable Substitute Change of Reference

Yea 12 Nay 0

Labor and Public Employees Committee

Joint Favorable Change of Reference

Yea 12 Nay 0

Human Services Committee

Joint Favorable Substitute Change of Reference

Yea 15 Nay 0

Appropriations Committee

Joint Favorable Substitute

Yea 49 Nay 0

